

WILLIAM A. MUNDELL
CHAIRMAN
JIM IRVIN
COMMISSIONER

MARC SPITZER
COMMISSIONER



0000100857



ORIGINAL

BRIAN C. McNEIL
EXECUTIVE SECRETARY

RECEIVED

Direct Line: 602-542-3935

Fax: 602-542-0752

E-mail: WMUNDELL@CC.STATE.AZ.US

ARIZONA CORPORATION COMMISSION

2002 JUN 11 P 3:47

June 11, 2002

AZ CORP COMMISSION
DOCUMENT CONTROL

Commissioner Marc Spitzer
Commissioner Jim Irvin
Arizona Corporation Commission
1200 West Washington
Phoenix, AZ 85007

Re: Docket Nos. E-00000-02-0051, E-01345-01-0822, [REDACTED]
E-01933A-02-0069 and E-01933A-98-0471
Generic Proceeding to Electric Restructuring

Dear Commissioners:

I agree with Commissioner Spitzer's June 4, 2002 letter in which he requests that the Commission schedule an Open Meeting to consider Tucson Electric Power's (TEP) request to grant TEP a temporary suspension for compliance with certain Electric Competition Rules and Commission orders. Moreover, I believe that the Open Meeting should also include Commission consideration of a temporary suspension of the Electric Competition Rules and Commission orders authorizing Arizona Public Service (APS) to proceed to divestiture. This is because it is important for the Commission to treat these matters comprehensively, rather than on a piecemeal basis.

I further agree with Commissioner Spitzer that it appears that we may be placing TEP in a difficult position for timely compliance with the rules and orders. It also appears that difficulties related to timing are likely to exist for all parties and the Commission, as we attempt to adhere to the current timetables involving substantial and potentially irrevocable changes in the provision of electricity in Arizona. In light of Commissioner Spitzer's and my concerns on the timing of moving forward at the present pace and the upheavals of the wholesale power market under investigation at the Federal Energy Regulatory Commission, I request that the Open Meeting scheduled on these matters address a temporary suspension of the timing of both TEP's and APS' divestiture of generation assets and the applicable rules and orders.

Because consideration of TEP's variance request for a temporary suspension of rules and orders, as well as consideration of a similar suspension of the timing of APS divestiture and related events may implicate past-Commission decisions, I suggest that the Open Meeting be noticed as an ARS §40-252 proceeding, wherein TEP, APS and the other parties have an opportunity to be heard. Lastly, I also agree with Commissioner Spitzer that the Open Meeting be scheduled as soon as is possible.

Sincerely,

William A. Mundell
Chairman

Arizona Corporation Commission

DOCKETED

JUN 11 2002

cc: Docket Control
All parties in ACC Docket No. E-00000A-02-0051

DOCKETED BY	car
-------------	-----